

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 1308 - SB 1254

March 24, 2011

SUMMARY OF BILL: Requires any law with an accompanying fiscal note indicating a fiscal impact on local governments greater than \$100,000 or any laws enacted in a calendar year whose cumulative fiscal notes indicate an impact greater than \$1,000,000, to be fully funded by a specific state appropriation, a dedicated source of funding provided in the legislation, or an increase in state-shared revenue. Prohibits state government from denying funds or penalizing local governments solely on the basis that the local government opted not to comply with such legislation that was not funded as required above. Exempts legislation required to comply with federal law; receive federal entitlements; repeal, revise, or lessen an existing requirement or mandate; or to implement mandatory duties of the Tennessee Constitution.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Exceeds \$100,000

Local Revenue – Net Impact – Not Significant

Local Expenditures – Cost Avoidance – Exceeds \$100,000

Assumptions:

- The fiscal impact of this bill will vary from year to year and is directly dependent on the actions of the General Assembly.
- Full funding of state mandates on local governments will increase state expenditures above the level currently provided to meet the constitutional requirement to share in the cost to local governments.
- Future legislation that would increase local government expenditures or decrease local government revenue would be offset by state appropriations or dedicated funds.
- An increase in state expenditures exceeding \$100,000; local government cost avoidance in an equal amount.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and a middle initial "W." in between.

James W. White, Executive Director

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